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BEFORE THE
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

DEPT. OF TRANSPORTATION
DOCKET SECTION
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Application of)
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)
GULF AND CARIBBEAN CARGO, INC.)
d/b/a GULF AND CARIBBEAN AIR)
)
for a certificate of public convenience and)
necessity under 49 U.S.C. 41102 to engage)
in interstate and overseas scheduled air)
transportation of passengers, property and mail.)
)

Docket OST-96-1023 - 8

Application of)
)
)
GULF AND CARIBBEAN CARGO, INC.)
d/b/a GULF AND CARIBBEAN AIR)
)
for a certificate of public convenience and)
necessity under 49 U.S.C. 41102 to engage)
in scheduled foreign air transportation)
of passengers, property and mail.)
)

Docket OST-96-1071 - 8

SUPPLEMENT NO. 3 TO APPLICATION

Communications with respect to this document should be sent to:

Frederick Lee Page Mason
President
GULF AND CARIBBEAN CARGO, INC.
1100 Lee Wagner Boulevard, Suite 317
Fort Lauderdale, FL 33315
(954)359-7776

Robert E. Cohn, Esq.
Alexander Van der Bellen
**SHAW, PITTMAN, POTTS
& TROWBRIDGE**
2300 N Street, N.W.
Washington, D.C. 20037
(202) 663-8060
Attorneys for
**GULF AND CARIBBEAN
CARGO, INC.**

**BEFORE THE
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Application of)	
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d/b/a GULF AND CARIBBEAN AIR)	
)	Docket OST-96-1023
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necessity under 49 U.S.C. 41102 to engage)	
in scheduled foreign air transportation)	
of passengers, property and mail.)	
)	August 9, 1996

SUPPLEMENT NO. 3 TO APPLICATION

Introduction

Gulf and Caribbean Cargo d/b/a Gulf and Caribbean Air ("Gulf & Caribbean" or the "Company") hereby submits the following Supplemental Information in support of the above captioned certificate applications. Gulf & Caribbean has made certain changes and refinements to its service proposal, key personnel, and financial plan, which necessitate this supplemental filing. Most notably, Gulf & Caribbean has a new investor,

Gulf and Caribbean Cargo

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NAJET, L.L.P. ("NAJET") who will replace Hope Outreach Ministries in the Company's Financial Plan, and Gulf & Caribbean now intends to provide its proposed services using DC-9 aircraft.

I. Ownership Changes

A. Transfer of Shares, Citizenship and Control

Under Gulf & Caribbean's revised financial plan, NAJET, L.L.P. ("NAJET") will acquire a ten percent equity stake in Gulf & Caribbean. Mr. Mason will continue to hold the remaining ninety percent of the voting equity shares of Gulf & Caribbean. See Exhibit GC-300.

NAJET is a newly-formed Florida limited liability partnership, and is a U.S. citizen within the meaning of 49 U.S.C. § 40102(a)(15). NAJET is ninety-nine percent owned by Mr. John Samuel Boy ("J.S. Boy"), and is one percent owned by National Aviation Management Corporation ("NAMCO"), a wholly owned subsidiary of Carolina Aircraft Corporation ("Carolina Aircraft"), both of which are U.S. corporations.

J.S. Boy is a U.S. citizen. Information concerning J.S. Boy is attached at Exhibit GC-301. J.S. Boy has substantial business experience outside the field of aviation. However, J.S. Boy's interest in NAJET is that of a passive investor; and he will not take an active role in the management of NAJET or Gulf & Caribbean.

NAMCO owns the remaining one percent of NAJET. One hundred percent of the shares of NAMCO are held by Carolina Aircraft. A brief corporate history of Carolina

Gulf and Caribbean Cargo

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Aircraft and its President and majority shareholder (76%) Thomas E. Boy ("T.E. Boy")¹ is attached at Exhibit GC-301. As detailed more fully in the exhibit describing the corporate history, Carolina Aircraft is a holding company for several of the Boy family's aviation ventures. National Jets, Inc. is one of Carolina Aircraft's primary holdings. National Jets operates a Fixed Base Operation ("FBO") at Fort Lauderdale/Hollywood International Airport, as well as National Air Ambulance ("NAA"), a Part 135 Air Ambulance Service with operations bases in Fort Lauderdale and Phoenix. National Jets is one of the largest FBOs at Fort Lauderdale. Its clients include Federal Express, which leases space from National Jets for its South Florida operations. National Jets has extensive facilities at Fort Lauderdale and has agreed to provide ground handling services to Gulf & Caribbean on favorable terms.

NAMCO will be the managing partner of NAJET. T.E. Boy is the President of NAMCO, and, through his interest in Carolina Aircraft also holds controlling interest in NAMCO. A questionnaire and resume for T.E. Boy are attached at Exhibit GC-301.²

¹ J.S. Boy and T.E. Boy are brothers.

² Gulf & Caribbean will furnish upon request questionnaires for the remaining minority shareholders of Carolina Aircraft. However, those shareholders (all members of the Boy family as detailed in Exhibit GC-300) are not in a position of influence over Gulf & Caribbean, and the Company does not believe they are key persons or persons with a substantial interest within the meaning of Part 204.

B. Description of NAJET Relationship

NAJET will take a ten percent equity stake in Gulf & Caribbean and will contribute substantial capital and other resources. Through this arrangement, NAJET will provide Gulf & Caribbean access to \$400,000 in working capital and an aircraft on favorable lease terms. In addition, Gulf & Caribbean will be able to avail itself of the business acumen, management skills and other resources of the Boy family aviation enterprises, such as the ground handling services provided by NAJET at FLL.

(i) Aircraft Lease

NAJET will lease or purchase a DC-9-10 aircraft, and has agreed to make the aircraft available to Gulf & Caribbean by lease or sub-lease at a rate of \$25,000 per month. NAJET has already identified an aircraft and conducted a preliminary inspection of the aircraft with USAir's maintenance personnel, who will be providing support to Gulf & Caribbean's operation. The lessor has issued a letter of intent, consenting to the sub-lease to Gulf and Caribbean. A copy of this document is attached at Exhibit GC-600.

(ii) Operating Fund

NAJET has established an escrow account that will be available to Gulf & Caribbean for costs associated with the operation of the aircraft. This account consists of \$400,000, which is on deposit with First Union National Bank ("First Union"). A letter from NAJET confirming the availability of these funds to Gulf & Caribbean and

verification of the money on deposit with First Union is attached at Exhibit GC-403.

These funds are included in Gulf & Caribbean's current Financial Plan. See

Exhibit GC-700 (revised). As demonstrated by Exhibit GC-700 (revised), Gulf & Caribbean's resources exceed the requirements of the Department's 90-day zero-revenue test.

II. Management Changes

Due to the change in the selection of Aircraft type, Gulf & Caribbean has changed its selection of Chief Pilot and created a new position for a *Director of Training - DC-9 Aircraft*. There have been no changes to any of Gulf & Caribbean's other Key Personnel.

Gulf & Caribbean has identified and will appoint a highly qualified and experienced airman to the position of *Director of Training - DC-9 Aircraft*. Since this individual is presently employed by another air carrier, Gulf & Caribbean is submitting his personal data under seal pursuant to Rule 39.

USAir will be performing training services for Gulf & Caribbean at USAir's Pittsburgh facility. Gulf & Caribbean feels that it can best ensure the highest level of safety and that its pilots will attain the maximum benefit from training by appointing a Director of Training with substantial DC-9 experience, who will be based in Pittsburgh to directly oversee the training activities. Gulf & Caribbean's Director of Training has over 22,000 hours of total flight time, including more than 13,000 hours in DC-9 and MD-80 aircraft. He has a type rating and check airman qualifications for the DC-9. This individual has served as a DC-9 instructor for USAir's contract training program, and currently

Gulf and Caribbean Cargo

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flies and instructs for a medium-sized and well respected foreign air carrier. He was selected by that carrier to manage and re-organize its Training Division. A resume, questionnaire and other testaments to this individual's qualifications are being submitted in Confidential Exhibit GC-200. The position of Director of Flight Training - DC-9 is intended to complement the role of the Chief Pilot, who will act as the local liaison with the FAA at Gulf & Caribbean's base of operations in Fort Lauderdale.

Gulf & Caribbean's new Chief Pilot will be John Felix. Mr. Felix has been employed by Gulf & Caribbean since June, 1996, flying the Company's Convair 440 aircraft. He has more than 13,000 hours total flying time, and is well-versed in safety and oversight procedures, having served as Chief Pilot and Director of Operations for Part 135 operators. Gulf & Caribbean's Principal Operations Inspector has indicated that Mr. Felix is qualified for the position, and the Company will be seeking a letter from the FAA confirming his acceptance. A copy of Mr. Felix's resume is attached at Exhibit GC-200.

III. Proposed Operations

Gulf & Caribbean has determined through further cost analysis that it can provide more economical service utilizing slightly larger DC-9 aircraft, versus the Fokker 28, as initially proposed. A revised breakdown of forecast revenues and expenses with detailed explanations of how those figures were derived is contained in Exhibit GC-700. Copies of the Company's current balance sheet and revised proforma balance sheets for the first year of operations are contained in Exhibit GC-400.

Gulf and Caribbean Cargo

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Gulf & Caribbean intends to implement scheduled service on its proposed routes; however, it is likely that the Company would initially commence service with charter operations. Gulf & Caribbean has received firm proposals from charterers interested in contracting with the Company on an ACMI basis, once it is certified to provide air transportation services. The Company expects in the short term to receive supplemental Part 121 authority from the FAA to conduct DC-9 charter operations, while it is proceeding with obtaining its scheduled Part 121 authority. Gulf & Caribbean's financial proposal is based on the conservative assumption of providing 80 hours of scheduled service and 70 hours of charter service per month with its first aircraft, averaged over the course of a year. These assumptions are consistent Gulf & Caribbean's overall service proposal, and any increase in the percentage of charter flying in the initial months would actually decrease the Company's expenses for those months, since Gulf & Caribbean will charter the aircraft on an ACMI basis and would not incur fuel and handling charges for those flights. Total aircraft utilization is expected to remain at approximately 150 hours per month.

While Gulf & Caribbean no longer plans to lease an aircraft or obtain any financing from Hope Outreach Ministries, Hope remains an interested customer for Gulf & Caribbean's proposed scheduled services on the Indianapolis-Fort Lauderdale-Port au Prince route. Gulf & Caribbean looks forward to commencing this service as soon as possible in combination with its promising charter prospects.

IV. Conclusion

The information contained in this supplemental filing and that previously submitted to the Department clearly demonstrates that Gulf & Caribbean meets the Department's three-part fitness test. First, Gulf & Caribbean's management team has extensive business and aviation experience and is well qualified to run an airline. Second, Gulf & Caribbean's financial plan and forecast revenues and expenses demonstrate that the Company has a thorough understanding of the costs associated with its proposed operations, and that the Company has access to adequate resources to meet those costs. Third, the Company has an excellent compliance disposition, and no citizenship concerns are implicated.

Gulf & Caribbean respectfully urges the Department to expedite its remaining review, and to proceed as quickly as possible in issuing a Show Cause Order. The Company is now well along in the FAA certification process, is proceeding with acquiring an aircraft, and has firm proposals from charter customers who are ready to contract for Gulf & Caribbean's services as soon as the certification process is complete. Therefore, a delay in certification could have adverse financial consequences for the Company.

WHEREFORE, Gulf & Caribbean respectfully urges the Department to issue the requested certificates of public convenience and necessity, and to grant such other, further and different relief as may be deemed by the Department to be in the public interest.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "A. Van der Bellen".

Robert E. Cohn

Alexander Van der Bellen

**SHAW, PITTMAN, POTTS
& TROWBRIDGE**

2300 N Street, N.W.

Washington, D.C. 20037

(202) 663-8060

Attorneys for Gulf & Caribbean

CERTIFICATE OF SERVICE

I hereby certify that I have this 9th day of August, 1996 served the foregoing Supplement No. 3, by first class mail, postage prepaid, upon the persons shown in the following service list.



Alexander Van der Bellen

Date: August 9, 1996

SERVICE LIST

Christine C. Lee, Esq.
Attorney for Ft. Lauderdale
International Airport
Broward County Aviation Dept.
1400 Lee Wagener Blvd.
Ft. Lauderdale, FL 33315

Robert W. Kneisley, Esq.
Attorney for Indianapolis International
Airport
Galland, Kharasch, Morse & Garfinkle, P.C.
1054 Thirty-First Street, N.W.
Washington, D.C. 20007

**GULF & CARIBBEAN
SUPPLEMENT NO. 3
INDEX OF REVISED AND ADDITIONAL EXHIBITS**

<u>EXHIBIT NUMBER</u>	<u>DESCRIPTION</u>
GC-200	Key Personnel <ul style="list-style-type: none">- Director of Training - DC-9 Aircraft (submitted under seal)- Chief Pilot
GC-300	Ownership Chart of Company
GC-301	Descriptive Information On New Ownership
GC-400	Financial Statements Proforma Balance Sheets
GC-403	NAJET Commitment Letter and Supporting Documents
GC-600	Aircraft Lease Information
GC-700	Income and Expense Forecasts with Preparation Notes
Certification	Certification for Supplement No. 3

JOHN FELIX
11460 S.W. 5th Street
Miami, Florida 33174
(305) 559-8393

Exhibit GC-200
Supplement No. 3
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Position: Gulf & Caribbean Chief Pilot

Qualifications: Airline Transport Pilot MEL; DC-3 CV-240/340/
440 Type Ratings; Commercial SEL Instruments;
Part 121 F/O B-707, Part 121 and 125 Capt.
CV-240/340/440, Chief Pilot Part 135.
Flight Engineer Qualified B-727-B-707
Certified Instructor Ratings: CFIA, II, MEI
(Gold Seal)-GIA. Part 135 Check Airman.
Airframe & Powerplants Certificate
FAA First Class Medical

Flight Time:	Total Time.	13,703	Night Time	1,450
	Mutli-Engine.	5,903	Instructor.	4,800
	Single Engine.	4,380	Turbine.	1,600
	Cross Country.	9,500	Turbo/Jet (Heavy). . .	3,500
	Actual Instrmts.	1,690	Multi/Engn/12,500+. .	1,750
	Simulated.	184	Pilot in Command. . .	10,700

Work Experience:

June '96-Present	Gulf & Caribbean Ft. Lauderdale, FL	Part 121 Cargo Operations CV-440. Captain.
May '96-Present	Golden Airlines, Inc. Miami, FL	Director of Operations (p/t) assisting in certification of Part 135 charter operator.
Mar. '96-Present	Transflorida Airlines Daytona Beach, FL	Part 121 Cargo CV-240 Reserve Captain.
Aug. '95-Mar. '96	Miami Air Lease Inc. Miami, FL	Part 125 Cargo CV-340 Captain.
Aug. '94-Aug. '95	Florida West Airlines Miami, FL	Part 121 F/O Worldwide Experience B-707.
Jan. '91-Aug. '94	Miami Air Charter Miami, FL	Part 121 and 135 freight and passenger, 121 CV-240 Captain, 135 B-18 C-402 Beech B-95, Chief Pilot Company Check Airman.
Jan '90-Jan. '91	World Airline of Gambia (Africa) (Pan Aviation)	Part 121 and 129 Cargo F/O B-707, Worldwide Flying Contracts.
Oct; '88-Jan. '90	Millon Air Miami, FL	Part 121 Cargo F/O B-707 South & Central America.
Feb.'86-Oct. '88	Silver Express Aviation, Inc. Terminal Airport	Chief Instructor Flight & Ground Instructor.

Education:

1987-1989	Thomas Edison State Univ. New Jersey	B.S. Degree in Technology
1970-1972	Miami Dade Jr. College	A.S. Degree
1960-1963	Miami Senior High School	High School Diploma

Special Training:

Nov. 1989	Millon Air Miami, FL Pan Am Training School	Initial 121 Training B-707 Systems and Simulator Training
July 1989	Avia Training Schools	B-727 Systems and Simulator Training Flight Engineer Turbo-Jet Rating
1975-1977	Tursair Aviation School Opalocka, FL	Commercial Pilot Instruments Multi-engine CFII-MEL-DC-3 Type

Military Service:

United States Army, July 1963 to 1964
Paratrooper-Air-Delivery operations
Parachute Rigger-Language Interpreter
Honorable Discharge

Personal Data:

Birthdate: June 23, 1946
Height: 66" Weight: 165 lbs.
Married with 3 children
Excellent Health.

**GULF AND CARIBBEAN
DOT APPLICATION QUESTIONNAIRE**

NOTE: This questionnaire will be used in connection with Gulf and Caribbean's DOT Certificate Application. Please answer all questions, with a more detailed explanation where requested, sign and date the form, and return it to Alexander Van der Bellen at Shaw, Pittman via telecopier (202/663-8007) or air express service (2300 N Street, N.W., Washington, D. C. 20037). Please indicate if you desire for any part of your response to be kept confidential.

1. Please state your name and residence address:

JOHN FELIX
11460 S.W. 5TH STREET
MIAMI, FL 33174

2. Title or Position with Company:

CHIEF PILOT

3. Number and type of shares of Company stock owned, or to be acquired, if any:

NONE

4. Current Position, Business Address and Telephone:
(complete only if you are not currently employed by the Company)

5. Are you a citizen of the United States? Yes ☒ No ☐
6. If you are not a U.S. citizen, please indicate nationality and current immigration status _____
7. Are you currently an officer, director or major shareholder (5 percent or more of the total stock), or do you have any other significant interest in, any other air carrier, foreign air carrier, common carrier, person substantially engaged in the business of aeronautics, or person whose principal business is the ownership or control of any such transportation or aeronautic activity?

Yes ☒ No ☐

(If your answer is "yes", please provide detailed information relating to each such relationship or interest in the space provided in Attachment A to this questionnaire).

8. Have you held, in the past, any position with any U.S. or foreign air carrier, or other aviation-related business?

Yes ☒ No ☐

(If "yes", please provide information regarding all positions held, with dates of employment and responsibilities, and any other relevant information, on Attachment A, or attach a copy of a recent resume to this Questionnaire).

MIAMI AIR CHARTER PART 135 CHIEF PILOT

9. Are you or any company in which you have a substantial interest (defined below) the subject of any pending legal action, or outstanding judgment, involving a claim in excess of \$5,000?

Yes ☐ No ☒

(If "yes", please provide date and amount of each claim or judgment, and the name of each claimant or judgment creditor, in the space provided in Attachment A).

10. Are you or any company in which you have substantial interest (defined below) the subject of any pending legal action, or out-standing judgment, involving a claim of less than \$5,000?

Yes ___ No ☒

(If "yes", please supply the total number and aggregate amount of all claims and/or judgments outstanding against you in the space provided in Attachment A).

11. Are you, or any company in which you have a substantial interest (defined below) or have you been the subject of a formal complaint or enforcement investigation by the DOT or the FAA regarding compliance with the Federal Aviation Act of 1958, or any order, rule, regulation or other requirement issued pursuant to the Act, during the past five (5) years?

Yes ___ No ☒

(If "yes", describe each complaint, and indicate the current status or final disposition of each complaint in the space provided in Attachment A).

12. Have you or any company in which you have a substantial interest (defined below) ever been charged with any unfair or deceptive or anticompetitive business practices, or any fraud, felony or antitrust violation, during the past ten (10) years?

Yes ___ No ☒

(If "yes", please describe, and indicate disposition or current status of each proceeding in the space provided in Attachment A).

13. Have you or any company in which you have a substantial interest (defined below) been involved in any aircraft accident or incident during the past year, or in the past and which remains the subject of an open investigation by the FAA, NTSB or the Company?

Yes ___ No ☒

(If "yes", please state the date and other details, including the status of any pending investigations, in the space provided in Attachment A).

Signature John Kelly Date 08-06-24

John Felix
Printed Name

Attachments

Attachment A

DOT Fitness Questionnaire - Detailed Responses

Name of Person Responding:

JOHN FELIX

Question

No.

Detailed Response

NO 8 I WAS EMPLOYED WITH MIAMI AIRCHARTER
AS CHIEF PILOT ON A 135 OPERATION (PART-135)
FROM - JANUARY 1990 TO JANUARY 1994

NO 7 I AM THE DIRECTOR OF OPERATIONS
FOR GOLDEN AIRLINES INC, MIAMI FLORIDA.
A SMALL PART-135 ON DEMAND CHARTER
OPERATION WITH SMALL AIRCRAFT.

Attachment B

DOT Questionnaire - Definition of Terms

"Key personnel" -

Refers to the directors, President, all Vice Presidents, the Directors or Supervisors of Operations, Maintenance, and Finance and the Chief Pilot of the applicant or air carrier, as well as any part-time or full-time advisors or consultants to the management of the applicant or air carrier.

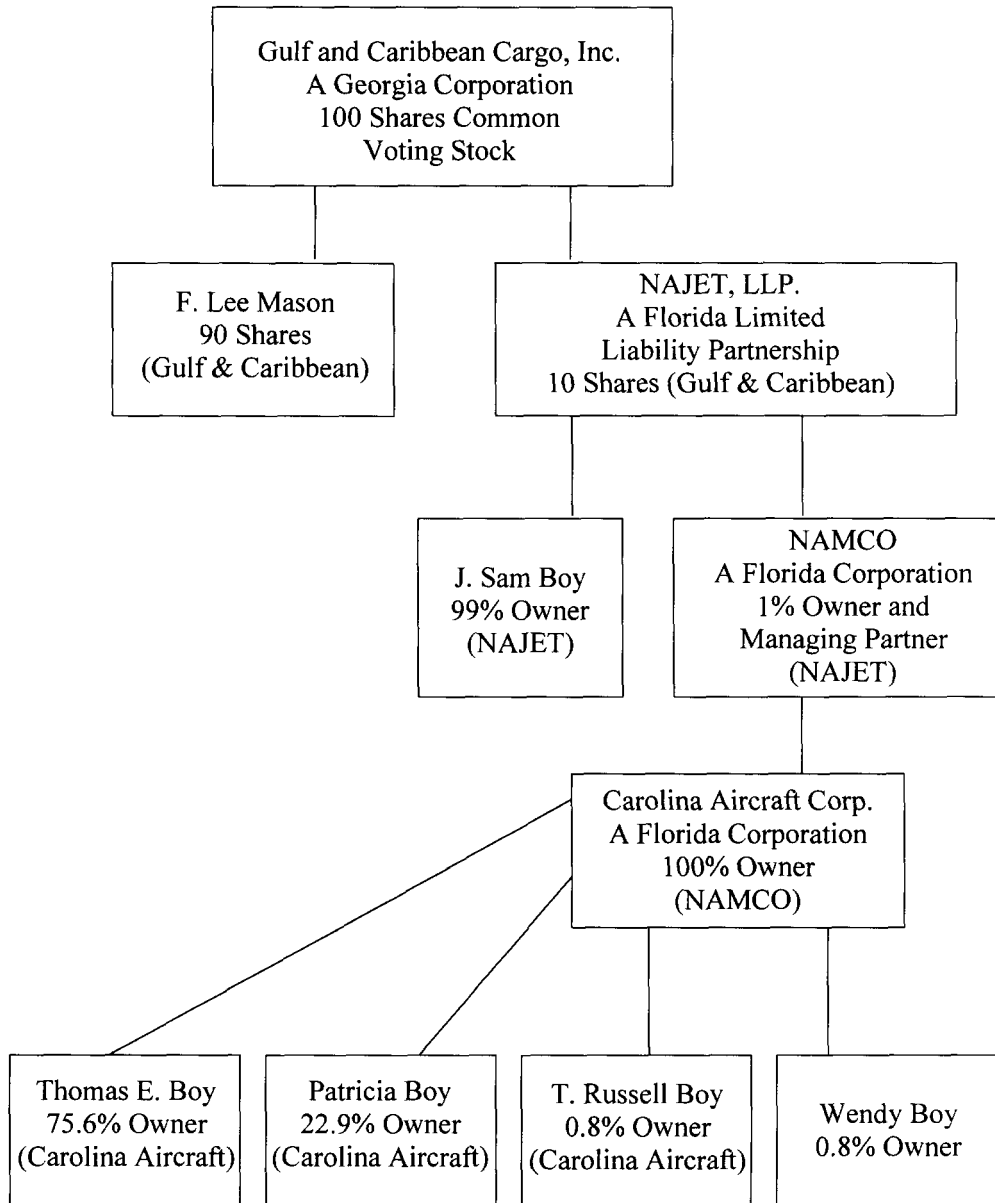
"Relevant Corporations" -

Means the applicant or air carrier, any subsidiary or predecessor of the applicant or air carrier (i.e., any air carrier in which any directors or principal officers once had a substantial interest) and any company including a sole proprietorship or partnership) which has a significant financial or managerial influence on the applicant.

"Substantial Interest" -

Means ownership or beneficial control of ten (10) percent or more of the outstanding voting stock in the corporation.

Ownership of Gulf & Caribbean



NOTE: All owners of Carolina Aircraft represented; percentage interest rounded to nearest tenth of one percent.



National Jets, Inc.

Exhibit GC-301
Supplement No. 3
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HEADQUARTERS & DISPATCH CENTER:
FT. LAUDERDALE INTERNATIONAL AIRPORT
P.O. BOX 22460 - FT, LAUDERDALE, FL 33335-2460

PHOENIX BASE:
SKY HARBOR INTERNATIONAL AIRPORT
2730 SKY HARBOR BOULEVARD - PHOENIX, AZ 85034

CAROLINA AIRCRAFT CORP. AND ITS WHOLLY-OWNED SUBSIDIARIES

COMPANY HISTORY

CAROLINA AIRCRAFT CORP. (CAC) WAS FOUNDED IN 1962 BY CARL A. BOY, JAMES W. BOY, AND THOMAS E. BOY, ORIGINALLY FROM DURHAM, NORTH CAROLINA. THE "BOY BROTHERS" DECIDED TO LOCATE THEIR AVIATION BUSINESS ON FORT LAUDERDALE/HOLLYWOOD INTERNATIONAL AIRPORT AND ENTERED INTO A THIRTY (30) YEAR LEASE WITH THE BROWARD COUNTY AVIATION DEPARTMENT, LOCATING THE COMPANY ON THE NORTHWEST CORNER OF THE AIRPORT, FOR A TOTAL LEASEHOLD OF 18.23 ACRES.

DURING THAT FIRST YEAR, THEY CREATED FLORIDA AIRCRAFT LEASING CORP. (FAL), LATER NAMED "FLORIDA AIR TRANSPORT", AN FAA PART 125 AIR CARGO OPERATION, TRANSPORTING VARIOUS TYPES OF PRODUCE, LIVE ANIMALS, HOUSEHOLD GOODS, ETC. TO THE BAHAMAS, CARIBBEAN, CENTRAL AND SOUTH AMERICA, AND BERMUDA, UTILIZING CONVAIR 440 AIRCRAFT, DOUGLAS DC-4'S AND DC-6 AIRCRAFT. AFTER A FEW YEARS, FAL/FAT ENTERED INTO SEVERAL CONTRACTS WITH THE DOW JONES COMPANY AND FLEW THE WALL STREET JOURNAL TO SEVERAL LOCATIONS WITHIN THE UNITED STATES FOR MORE THAN TWENTY YEARS (SATELLITES BECAME THEIR TRANSPORT METHOD AND THE CONTRACTS WERE NO LONGER NEEDED!).

IN 1968, OUR FIXED BASE OPERATION (FBO) WAS BUILT AND NAMED BUSINESS AIR CENTER, AND WHICH WAS LATER RENAMED "NATIONAL JETS AIR CENTER" (NJAC), ALONG WITH A FUEL TANK FARM SO THAT WE COULD FUEL AND SERVICE OUR OWN AIRCRAFT AS WELL AS OTHER AIRCRAFT VISITING FORT LAUDERDALE INTERNATIONAL. THIS FACILITY ENABLED US TO OFFER EXCELLENT CUSTOMER SERVICE TO OTHER JET AND AIRCRAFT OPERATORS.

DURING THE 1970'S, THOMAS E. BOY ("TOM"), WHO WAS VERY INTERESTED IN THE LEARJET CHARTER INDUSTRY, ENTERED INTO A PARTNERSHIP WITH A BUSINESS FRIEND IN OKLAHOMA AND FORMED NATIONAL JETS, INC. (NJI), AN FAA PART 135 AIR TAXI OPERATION, WITH THE FORT LAUDERDALE BASE FOUNDED IN 1974. STARTING WITH LEARJET MODEL 23 AND 24 AIRCRAFT, NJI BECAME ONE OF THE MOST ETHICAL, PROFESSIONAL AND POPULAR LEARJET OPERATIONS IN THE UNITED STATES. ALSO CREATED AT THAT TIME WERE OUR MAINTENANCE AND AVIONICS DIVISIONS, FOR IN-HOUSE QUALITY ASSURANCE. IN 1976, NATIONAL JETS, INC. BECAME WHOLLY-OWNED BY CAROLINA AIRCRAFT CORP.

AFTER SPENDING TWO YEARS ASSISTING INDIVIDUALS, INSURANCE COMPANIES, ETC. IN FINDING A QUALIFIED AIR AMBULANCE SERVICE DURING ALL HOURS OF THE DAY AND NIGHT, TOM BOY FORMED "AIRBORNE AMBULANCE SERVICE", LATER RENAMED "NATIONAL AIR AMBULANCE" (NAA), THE AIR AMBULANCE DIVISION OF NATIONAL JETS, INC. DURING THE PAST TWENTY (20) YEARS, NAA HAS BECOME WELL-KNOWN WORLDWIDE FOR PROVIDING QUALITY, LIFESAVING EVACUATIONS FOR PERSONS

COMPANY HISTORY
PAGE 2

TRAVELING THROUGHOUT THE UNITED STATES, CANADA, MEXICO, BAHAMAS, CARIBBEAN, CENTRAL AND SOUTH AMERICAS, EUROPE AND ASIA. NJI/NAA PERFORM MORE THAN 1,000 CHARTER/AIR AMBULANCE FLIGHTS PER YEAR. OUR CLIENTS INCLUDE THE MAJOR CRUISE LINES SUCH AS PRINCESS, HOLLAND AMERICA LINE, NORWEGIAN CARIBBEAN LINE, ROYAL CARIBBEAN CRUISE LINE; INSURANCE ASSISTANCE COMPANIES SUCH AS AMERICAN EXPRESS/USASSIST, WORLD ACCESS/ACCESS AMERICA, INTERNATIONAL SOS ASSISTANCE, MEDEX ASSISTANCE, WORLDWIDE ASSISTANCE, AND AMERICAN INTERNATIONAL ASSISTANCE SERVICE.

NJI'S FLEET OF JET AIRCRAFT HAS GROWN AND NOW INCLUDES 2 LEARJET MODEL 35'S, 1 LEARJET MODEL 25DXR, 1 LEARJET MODEL 25, AND A CESSNA 402B TWIN PROPELLER AIRCRAFT, WHICH ARE UTILIZED FOR EXECUTIVE CHARTER SERVICE, AIR AMBULANCE EVACUATIONS, AND THE OCCASIONAL SMALL CARGO TRANSPORT.

IN 1987, TOM BECAME 49% OWNER OF A FOREIGN AIRLINE CALLED "CAICOS CARIBBEAN AIRWAYS" WHICH STILL FLIES CARGO IN VARIOUS PISTON ENGINE AIRCRAFT TO THE TURKS AND CAICOS ISLANDS FROM OUR BASE AT FORT LAUDERDALE INTERNATIONAL AIRPORT.

IN 1992 THE LEASEHOLD WITH BROWARD COUNTY WAS UP FOR RENEWAL AND THERE WERE CERTAIN PROPERTY IMPROVEMENTS THAT WERE REQUIRED TO QUALIFY FOR RENEWAL. WE WERE GRANTED A NEW THIRTY (30) YEAR LEASE AND BEGAN OUR PROPERTY IMPROVEMENTS COMMENCING WITH A NEW, ECOLOGICAL, STATE-OF-THE-ART FUEL TANK FARM. OVER THE NEXT FEW YEARS, NEW HANGAR/OFFICE FACILITIES WERE BUILT FOR FAL AND CCA AS WELL AS NJI, NJAC, AND NAA. THESE MAGNIFICENT EDIFICES HOUSE OUR PRESENT COMPANIES, CORPORATE OFFICES AND AIRCRAFT.

DURING THE EARLY 1990'S TOM AND ANOTHER BUSINESS ASSOCIATE BECAME PARTNERS TO BUILD A NEW FACILITY FOR FEDERAL EXPRESS WHO WAS BEING MOVED FROM THE SOUTH SIDE OF THE AIRPORT. THIS ENTAILED LEASING ANOTHER TWENTY-TWO (22) ACRES ADJACENT TO OUR 18.23 ACRES FROM THE BROWARD COUNTY AVIATION DEPARTMENT AND BUILDING A MULTI-BUILDING FACILITY ADJOINING OUR RAMP, WHERE THEY HAVE NOW BEEN HOUSED FOR MORE THAN TWO YEARS. NJAC PROVIDES FUELING SERVICE FOR THEIR AIRCRAFT.

OUR NEWEST ENDEAVOR AT NJI IS THE "AIRCRAFT MANAGEMENT" DIVISION. TOM HAS RECENTLY ASSISTED ONE OF OUR CHARTER CLIENTS IN PURCHASING A GULFSTREAM III AIRCRAFT THAT NJI IS NOW MANAGING.

THIS IS A SHORT SUMMARIZATION OF OUR BEGINNING AT CAC, AS WELL AS THE ACCOMPLISHMENTS OF OUR PRESIDENT, THOMAS E. BOY. TOM IS NOW THE SURVIVING "BOY BROTHER" AND SHARES OWNERSHIP OF CAC ENTITIES WITH T. RUSSELL BOY, SON OF CARL A. BOY.

BIOGRAPHICAL DATA

Exhibit GC-301
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Thomas E. Boy

Address: 2817 N. E. 24th Place
Ft. Lauderdale, FL 33305

Date of Birth: August 17, 1935

Place of Birth: Durham, NC

Education: 1941 - 1953 Attended Durham, NC City School System
1953 - 1957 Attended Purdue University

Service Record: 1958 - 1959 Active duty in the U.S. Army. Continued in Army Reserves until honorable discharge March 31, 1994 (SN ER14640075).

Business: 1957 - present Worked for Carolina Aircraft Company, a NC company (family owned business) which succeeded to Carolina Aircraft Corp., a FL corporation, and its wholly owned subsidiary, National Jets, Inc., a FL corporation

Major stockholder and President of Carolina Aircraft Corp and President of National Jets, Inc.

Carolina Aircraft Company:
A NC company started in 1945 by Carl A. Boy, Jr. and James W. Boy.

Carolina Aircraft Corp:
A FL corporation, incorporated in 1960.

THOMAS E. "TOM" BOY

B I O G R A P H Y

THOMAS E. "TOM" BOY, WAS BORN IN DURHAM, NORTH CAROLINA ON AUGUST 17, 1935. HE GRADUATED FROM DURHAM HIGH SCHOOL AND THEN LATER ATTENDED COLLEGE AT PURDUE UNIVERSITY IN INDIANA. BEING THE YOUNGEST OF FOUR SONS AND HAVING BROTHERS WHO WERE IN BUSINESS FOR THEMSELVES, HE STAYED GAINFULLY EMPLOYED AT THEIR VARIOUS LOCAL BUSINESSES DURING HIS LATE TEEN YEARS.

TOM BOY SERVED HIS COUNTRY IN THE ARMED FORCES AND SOON THEREAFTER WAS PERSUADED BY HIS TWO ELDEST BROTHERS, WHO WERE PILOTS AND INVOLVED IN AVIATION, TO JOIN THEM IN THE INDUSTRY. THIS WAS THE BEGINNING OF HIS AVIATION CAREER.

DURING 1962, THE THREE AVIATION "BOY" BROTHERS MOVED TO SOUTH FLORIDA AND FOUNDED CAROLINA AIRCRAFT CORP. AT FORT LAUDERDALE INTERNATIONAL AIRPORT. FOR MANY YEARS, THEY FLEW CARGO IN PISTON ENGINE AIRCRAFT THROUGHTOUT THE U. S., CARIBBEAN, CENTRAL AMERICA, AND SOUTH AMERICA. TOM SPENT A GREAT DEAL OF TIME FLYING IN SOUTH AMERICA, FINDING THIS A CONVENIENT TIME TO TEACH HIMSELF THE SPANISH LANGUAGE.

OVER THE NEXT TEN YEARS, MR. BOY'S INTEREST STARTED TO LEAN TOWARDS THE LEARJET CHARTER INDUSTRY, AND BY 1974, HE BECAME PARTNERS WITH A BUSINESS ASSOCIATE IN OKLAHOMA AND FOUNDED "NATIONAL JETS, INC." BY 1976, TOM TOOK OVER NATIONAL JETS, INC., CLOSING OUT THE OKLAHOMA DIVISION, AND LEAVING THE HOME BASE AT FORT LAUDERDALE INTERNATIONAL AIRPORT. IN THE BEGINNING, HE PURCHASED AND OPERATED LEARJET MODELS 23 AND 24 AIRCRAFT. AFTER A FEW YEARS IN THE INDUSTRY, HE DETERMINED THAT AN AIR AMBULANCE SERVICE THAT WAS TOTALLY SELF-SUFFICIENT WAS DESPERATELY NEEDED IN SOUTH FLORIDA. THIS BECAME THE BIRTH OF "AIRBORNE AMBULANCE SERVICE", RENAMED "NATIONAL AIR AMBULANCE" IN 1987.

MR. BOY SET A NEW TREND IN THE AIR AMBULANCE INDUSTRY BY WORKING HARD WITH THE EMERGENCY MEDICAL SERVICE DIVISION OF THE DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES IN TALLAHASSEE TO REGULATE AIR AMBULANCES AND MAKE ETHICS ONE OF THE MAIN ISSUES. HE RECEIVED THE FIRST LICENSE EVER ISSUED BY THEM WHEN LICENSING CAME INTO EFFECT. OVER THE PAST 20 YEARS, HE HAS DONATED MANY TRANSPORTS FOR CHILDREN TO MAKE-A-WISH FOUNDATION AND SEVERAL FLORIDA CHILDREN'S HOSPITALS. WHEN AN EVACUATION BECOMES TOO CRITICAL OR TOO COMPLICATED, IT IS "TOM BOY" COLLEAGUES, INSURANCE COMPANIES, CRUISE LINES, ETC. CONTACT TO SOLVE THE SITUATION AND PERFORM THE AIR AMBULANCE TRANSPORTATION.

BIOGRAPHY
PAGE 2

AS NATIONAL JETS, INC. AND NATIONAL AIR AMBULANCE BECAME MORE WELL KNOWN AND BUSINESS GREW, MR. BOY BOUGHT LEARJET MODEL 25 AND MODEL 35 AIRCRAFT TO OFFER WORLWIDE SERVICE. HIS FLEET OF AIRCRAFT PRESENTLY INCLUDE 2 LEARJET MODEL 35 AIRCRAFT, 2 LEARJET MODEL 25 AIRCRAFT, AND 1 CESSNA 402B AIRCRAFT. ALSO, WITH MUCH PRESSURE FROM AIR AMBULANCE CLIENTS (SUCH AS CRUISE LINES AND INSURANCE/ASSISTANCE COMPANIES), HE OPENED UP A SUB-BASE IN PHOENIX, ARIZONA IN 1993, MOVING A LEARJET MODEL 25 AIRCRAFT TO SKY HARBOR INTERNATIONAL AIRPORT WITH A FLIGHT CREW, AND SETTING UP ANOTHER SELF-SUFFICIENT DIVISION WITH MEDICAL STAFF. THIS BASE IS OPERATED FROM THE CORPORATE OFFICE AT FORT LAUDERDALE INTERNATIONAL AND HAS BECOME MORE SUCCESSFUL WITH EACH YEAR.

DURING THE LATE 1960'S TOM BOY REALIZED THAT HE NEEDED THE CAPACITY TO SERVICE HIS OWN AIRCRAFT AS WELL AS THAT OF OTHERS, AND FOUNDED A FIXED BASE OPERATION (FBO) ON THEIR 18.23 ACRE LEASEHOLD AT FORT LAUDERDALE INTERNATIONAL AIRPORT. THIS FULL CUSTOMER SERVICE FACILITY WAS ORIGINALLY NAMED "BUSINESS AIR CENTER" AND THEN RENAMED "NATIONAL JETS AIR CENTER" IN THE EARLY 1990'S.

NOT FEELING QUITE BUSY ENOUGH, HE BECAME 49% OWNER OF A FOREIGN AIRLINE, "CAICOS CARIBBEAN AIRWAYS" IN 1987, WHICH IS STILL ACTIVELY FLYING CARGO TO THE TURKS AND CAICOS ISLANDS FROM THE LEASEHOLD AT FORT LAUDERDALE INTERNATIONAL.

IN 1992, THE 30-YEAR LEASEHOLD THE BOY BROTHERS HAD ENTERED INTO WITH THE BROWARD COUNTY AVIATION DEPARTMENT WAS UP FOR RENEWAL. IN ORDER TO RENEW THE LEASE, MANY LEASEHOLD IMPROVEMENTS WERE GOING TO BE NECESSARY. LOOKING TOWARDS THE FUTURE, THEY PLANNED AND HAVE BUILT A NEW, ECOLOGICAL, STATE-OF-THE-ART FUEL TANK FARM, A NEW HANGAR/OFFICE FACILITY FOR THE PART 125 CARGO DIVISION AND FOREIGN AIRLINE CARGO DIVISION, AS WELL AS A MAGNIFICENT FACILITY TO HOUSE NATIONAL JETS AIR CENTER, NATIONAL JETS, INC., NATIONAL AIR AMBULANCE, AS WELL AS OUR AVIONICS AND MAINTENANCE DIVISIONS.

ALSO DURING THE EARLY 1990'S, FEDERAL EXPRESS WAS ASKED TO MOVE THEIR MINI-HUB FROM THE SOUTHWEST CORNER OF FORT LAUDERDALE INTERNATIONAL, SO MR. BOY AND A BUSINESS ASSOCIATE LEASED AN ADDITIONAL 22 ACRES ADJACENT TO HIS 18.23 ACRE LEASEHOLD FROM THE BROWARD COUNTY AVIATION DEPARTMENT. THEY CONSTRUCTED A MULTI-BUILDING FACILITY FOR FEDERAL EXPRESS IN WHICH THEY HAVE NOW BEEN HOUSED FOR MORE THAN TWO YEARS. NATIONAL JETS AIR CENTER THUS PROVIDES FUELING SERVICE FOR THEIR AIRCRAFT.

RECOGNIZING NEW BUSINESS OPPORTUNITIES, MR. BOY CREATED A NEW DIVISION ENTITLED "AIRCRAFT MANAGEMENT", WHICH IS NOW BARELY SIX MONTHS OLD. IN THIS SHORT TIME, HE HAS SUCCESSFULLY ASSISTED ONE OF HIS CHARTER CLIENTS IN PURCHASING A GULFSTREAM III AIRCRAFT, NOW BEING MANAGED BY NATIONAL JETS, INC.

**GULF AND CARIBBEAN
DOT APPLICATION QUESTIONNAIRE**

NOTE: This questionnaire will be used in connection with Gulf and Caribbean's DOT Certificate Application. Please answer all questions, with a more detailed explanation where requested, sign and date the form, and return it to Alexander Van der Bellen at Shaw, Pittman via telecopier (202/663-8007) or air express service (2300 N Street, N.W., Washington, D. C. 20037). Please indicate if you desire for any part of your response to be kept confidential.

1. Please state your name and residence address:

Thomas E. Boy

2817 N.E. 24th Place

Ft. Lauderdale, FL 33305

2. Title or Position with Company:

None

3. Number and type of shares of Company stock owned, or to be acquired, if any:

75.6% of Carolina Aircraft Corporation

4. Current Position, Business Address and Telephone:
(complete only if you are not currently employed by the Company)

President and majority stockholder of

Carolina Aircraft Corporation.

3485 S.W. 9th Ave.

Ft. Lauderdale, FL 33315

5. Are you a citizen of the United States? Yes X No
6. If you are not a U.S. citizen, please indicate nationality and current immigration status _____.
7. Are you currently an officer, director or major shareholder (5 percent or more of the total stock), or do you have any other significant interest in, any other air carrier, foreign air carrier, common carrier, person substantially engaged in the business of aeronautics, or person whose principal business is the ownership or control of any such transportation or aeronautic activity?

Yes X No

(If your answer is "yes", please provide detailed information relating to each such relationship or interest in the space provided in Attachment A to this questionnaire).

8. Have you held, in the past, any position with any U.S. or foreign air carrier, or other aviation-related business?

Yes No X - See No. 7

(If "yes", please provide information regarding all positions held, with dates of employment and responsibilities, and any other relevant information, on Attachment A, or attach a copy of a recent resume to this Questionnaire).

9. Are you or any company in which you have a substantial interest (defined below) the subject of any pending legal action, or outstanding judgment, involving a claim in excess of \$5,000?

Yes _____ No X

(If "yes", please provide date and amount of each claim or judgment, and the name of each claimant or judgment creditor, in the space provided in Attachment A).

10. Are you or any company in which you have substantial interest (defined below) the subject of any pending legal action, or out-standing judgment, involving a claim of less than \$5,000?

Yes___ No X

(If "yes", please supply the total number and aggregate amount of all claims and/or judgments outstanding against you in the space provided in Attachment A).

11. Are you, or any company in which you have a substantial interest (defined below) or have you been the subject of a formal complaint or enforcement investigation by the DOT or the FAA regarding compliance with the Federal Aviation Act of 1958, or any order, rule, regulation or other requirement issued pursuant to the Act, during the past five (5) years?

Yes___ No X

(If "yes", describe each complaint, and indicate the current status or final disposition of each complaint in the space provided in Attachment A).

12. Have you or any company in which you have a substantial interest (defined below) ever been charged with any unfair or deceptive or anticompetitive business practices, or any fraud, felony or antitrust violation, during the past ten (10) years?

Yes___ No X

(If "yes", please describe, and indicate disposition or current status of each proceeding in the space provided in Attachment A).

13. Have you or any company in which you have a substantial interest (defined below) been involved in any aircraft accident or incident during the past year, or in the past and which remains the subject of an open investigation by the FAA, NTSB or the Company?

Yes X No___

(If "yes", please state the date and other details, including the status of any pending investigations, in the space provided in Attachment A).

Thomas E. Boy 8/6/94
Signature Date

Thomas E. Boy
Printed Name

Attachments

Attachment A

DOT Fitness Questionnaire - Detailed Responses

Name of Person Responding: Thomas E. Boy

Question

<u>No.</u> 7	Yes _____	<u>Detailed Response</u> Respondent holds a minority interest (49%) of Caicos Caribbean Airways, a cargo airline, registered in the Turks & Caicos Islands (British dependant territories).
No. 13	Yes _____	<u>Detailed Response</u> Carolina Aircraft Corporation wholly owns National Jets, Inc. National Jets, Inc holds an FAR Part 135 Air Taxi Certificate operating primarily Learjet Aircraft. On January 3, 1996, N33NJ Learjet was involved in an accident at Oro-Barrie-Orillia Airport in Ontario, Canada. The aircraft lost directional control on a snowy, icy runway resulting in \$4000,000.00 damage with no injuries.

Attachment B

DOT Questionnaire - Definition of Terms

"Key personnel" -

Refers to the directors, President, all Vice Presidents, the Directors or Supervisors of Operations, Maintenance, and Finance and the Chief Pilot of the applicant or air carrier, as well as any part-time or full-time advisors or consultants to the management of the applicant or air carrier.

"Relevant Corporations" -

Means the applicant or air carrier, any subsidiary or predecessor of the applicant or air carrier (i.e., any air carrier in which any directors or principal officers once had a substantial interest) and any company including a sole proprietorship or partnership) which has a significant financial or managerial influence on the applicant.

"Substantial Interest" -

Means ownership or beneficial control of ten (10) percent or more of the outstanding voting stock in the corporation.

BIOGRAPHICAL DATA

Exhibit GC-301
Supplement No. 3
Page 12 of 19

John Samuel Boy

Address: 3907 Swarthmore Road
Durham, NC 27707

Date of Birth: April 23, 1928

Place of Birth: Durham, NC

Education: 1933 - 1946 Attended Durham, NC City School System
1946 Attended Mars Hill Jr. College, Asheville, NC
1946 - 1948 Attended NC State University

Business: 1948 - 1951 Employed by Boys Service Center and Blue Light Restaurant (family owned businesses)

Service Record: 1951 - 1953 U.S. Navy, honorable discharge.

Business: 1953 - 1994 Part owner, then full owner and President of Blue Light Restaurants, Inc., a NC corporation, which was succeeded by Sam's Quick Shop, Inc., a NC corporation. Retired 1994.

JOHN SAMUEL "SAM" BOY

B I O G R A P H Y

JOHN SAMUEL "SAM" BOY WAS BORN IN DURHAM, NORTH CAROLINA ON APRIL 23, 1928. HIS SCHOOL DAYS WERE SPENT AT DURHAM PUBLIC SCHOOL, AND THEN AFTER GRADUATION, HE ATTENDED NORTH CAROLINA STATE UNIVERSITY.

SAM BOY JOINED THE U. S. NAVY IN 1946, SERVING THROUGH 1953, INCLUDING HIS RESERVE YEARS. WHEN HE LEFT ACTIVE DUTY, HE RETURNED TO DURHAM AND DECIDED THIS WAS THE TIME AND OPPORTUNITY TO GO INTO BUSINESS FOR HIMSELF AND STILL SERVE IN THE NAVY RESERVES. HIS NEW BUSINESS ENDEAVOR WAS A FAMILY RESTAURANT THAT FLOURISHED FROM 1948 THROUGH 1974.

MR. BOY'S NEXT BUSINESS VENTURE WAS CREATED IN THE 1948-1974 PERIOD WHEN HE FOUNDED THE "OH BOY!" DRIVE-INS.

IN 1974, SAM BOY SOLD HIS FAMILY RESTAURANT BUSINESS AND ENTERED INTO A NEW INDUSTRY BY FOUNDED "SAM'S QUIK SHOP", A CONVENIENCE STORE LOCATED NEAR DUKE UNIVERSITY. THIS PROSPEROUS BUSINESS IS STILL SERVING THE UNIVERSITY AREA TODAY.

SEEKING OUT A NEW BUSINESS OPPORTUNITY BY SEEING THERE WAS A SHORTAGE OF CAR WASH SERVICES IN DURHAM, SAM BOY OPENED UP "SAM'S CAR WASH" IN 1982, WHICH IS SUCCESSFULLY RUNNING TODAY.

OTHER BUSINESS INTERESTS OF MR. BOY'S OVER THE YEARS THAT HE PRESENTLY OPERATES INCLUDE REAL ESTATE RENTALS IN DURHAM AND LONG BEACH, NORTH CAROLINA, AS WELL AS MYRTLE BEACH, SOUTH CAROLINA.

NEEDLESS TO SAY, JOHN SAMUEL "SAM" BOY HAS BEEN A LIFE-LONG RESIDENT OF DURHAM, NORTH CAROLINA. HE IS A MEMBER OF MANY BUSINESS ORGANIZATIONS AND IS AN ACTIVE MEMBER OF THE DUKE MEMORIAL UNITED METHODIST CHURCH.

**GULF AND CARIBBEAN
DOT APPLICATION QUESTIONNAIRE**

NOTE: This questionnaire will be used in connection with Gulf and Caribbean's DOT Certificate Application. Please answer all questions, with a more detailed explanation where requested, sign and date the form, and return it to Alexander Van der Bellen at Shaw, Pittman via telecopier (202/663-8007) or air express service (2300 N Street, N.W., Washington, D. C. 20037). Please indicate if you desire for any part of your response to be kept confidential.

1. Please state your name and residence address:

John Samuel Boy
3907 Swarthmore Rd.
Durham, N.C. 27707

2. Title or Position with Company:

Partner none

3. Number and type of shares of Company stock owned, or to be acquired, if any:

2500 0%

4. Current Position, Business Address and Telephone:
(complete only if you are not currently employed by the Company)

Retired

5. Are you a citizen of the United States? Yes ☒ No ☐
6. If you are not a U.S. citizen, please indicate nationality and current immigration status _____.
7. Are you currently an officer, director or major shareholder (5 percent or more of the total stock), or do you have any other significant interest in, any other air carrier, foreign air carrier, common carrier, person substantially engaged in the business of aeronautics, or person whose principal business is the ownership or control of any such transportation or aeronautic activity?

Yes ☐ No ☒

(If your answer is "yes", please provide detailed information relating to each such relationship or interest in the space provided in Attachment A to this questionnaire).

8. Have you held, in the past, any position with any U.S. or foreign air carrier, or other aviation-related business?

Yes ☐ No ☒

(If "yes", please provide information regarding all positions held, with dates of employment and responsibilities, and any other relevant information, on Attachment A, or attach a copy of a recent resume to this Questionnaire).

9. Are you or any company in which you have a substantial interest (defined below) the subject of any pending legal action, or outstanding judgment, involving a claim in excess of \$5,000?

Yes ☐ No ☒

(If "yes", please provide date and amount of each claim or judgment, and the name of each claimant or judgment creditor, in the space provided in Attachment A).

10. Are you or any company in which you have substantial interest (defined below) the subject of any pending legal action, or out-standing judgment, involving a claim of less than \$5,000?

Yes ___ No ☒

(If "yes", please supply the total number and aggregate amount of all claims and/or judgments outstanding against you in the space provided in Attachment A).

11. Are you, or any company in which you have a substantial interest (defined below) or have you been the subject of a formal complaint or enforcement investigation by the DOT or the FAA regarding compliance with the Federal Aviation Act of 1958, or any order, rule, regulation or other requirement issued pursuant to the Act, during the past five (5) years?

Yes ___ No ☒

(If "yes", describe each complaint, and indicate the current status or final disposition of each complaint in the space provided in Attachment A).

12. Have you or any company in which you have a substantial interest (defined below) ever been charged with any unfair or deceptive or anticompetitive business practices, or any fraud, felony or antitrust violation, during the past ten (10) years?

Yes ___ No ☒

(If "yes", please describe, and indicate disposition or current status of each proceeding in the space provided in Attachment A).

13. Have you or any company in which you have a substantial interest (defined below) been involved in any aircraft accident or incident during the past year, or in the past and which remains the subject of an open investigation by the FAA, NTSB or the Company?

Yes ___ No ☒

(If "yes", please state the date and other details, including the status of any pending investigations, in the space provided in Attachment A).

Samuel Boy 7-31-96
Signature Date

J. Samuel Boy
Printed Name

Attachments

Attachment A

DOT Fitness Questionnaire - Detailed Responses

Name of Person Responding: _____

Question

No. _____ Detailed Response _____

Attachment B

DOT Questionnaire - Definition of Terms

"Key personnel" -

Refers to the directors, President, all Vice Presidents, the Directors or Supervisors of Operations, Maintenance, and Finance and the Chief Pilot of the applicant or air carrier, as well as any part-time or full-time advisors or consultants to the management of the applicant or air carrier.

"Relevant Corporations" -

Means the applicant or air carrier, any subsidiary or predecessor of the applicant or air carrier (i.e., any air carrier in which any directors or principal officers once had a substantial interest) and any company including a sole proprietorship or partnership) which has a significant financial or managerial influence on the applicant.

"Substantial Interest" -

Means ownership or beneficial control of ten (10) percent or more of the outstanding voting stock in the corporation.

Gulf & Caribbean Cargo, Inc.
Financial Statements
For the Period Ending
July 31, 1996

Christopher James & Co.
1225 Southeast 2nd Avenue
Fort Lauderdale, Florida 33316
(954) 522-4006

Christopher James & Co.

1225 Southeast 2nd Avenue
Ft. Lauderdale, Florida 33316

Exhibit GC-400
Supplement No. 3
Page 2 of 8

James E. Brown, Jr.
Christopher B. Waldera

Telephone (305) 522-4006
Facsimile (305) 522-0720

August 2, 1996

To the Board of Directors
of Gulf & Caribbean Cargo, Inc.:

We have compiled the accompanying balance sheet of Gulf & Caribbean Cargo, Inc., a Georgia corporation, for the period ending July 31, 1996 and the related income statement for the period then ended.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statement of changes in financial position required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the corporation's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Christopher James & Co.

ACCOUNTANT'S COMPILATION REPORT

Gulf & Caribbean Cargo, Inc.

Balance Sheet
As of July 31, 1996

ASSETS

Current Assets

Cash in Bank	1,106.93	
Accounts Receivable	<u>23,774.50</u>	
Total Current Assets		<u>24,881.43</u>

TOTAL ASSETS		<u><u>24,881.43</u></u>
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LIABILITIES & EQUITY

Liabilities

Shareholder Loan Payable	89,409.37	
Long Term Loan Payable	<u>0.00</u>	
Total Liabilities		89,409.37

Shareholder Equity

Common Stock	1,000.00	
Current Income	7,956.13	
Retained Earnings	<u>(73,484.07)</u>	
Total Shareholder Equity		<u>(64,527.94)</u>

TOTAL LIABILITIES & EQUITY		<u><u>24,881.43</u></u>
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Gulf & Caribbean Cargo, Inc.

Income Statement
For the Period Ending
July 31, 1996

INCOME

Sales	<u>37,781.00</u>	
TOTAL INCOME		37,781.00

EXPENSES

Automobile Expense	1,354.69
Bank Service Charges	90.00
Licenses & Permits	1,835.97
Office Supplies	300.00
Postage & Delivery	165.83
Printing & Reproduction	69.81
Professional Fees	8,241.00
Rent	3,903.02
Taxes	300.00
Telephone	3,293.91
Travel & Entertainment	4,656.00
Utilities	333.14
Air Craft Fuel	500.00
Contract Labor	1,622.50
Air Craft Maintenance	<u>3,159.00</u>

TOTAL EXPENSES	<u>29,824.87</u>
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NET INCOME	<u><u>7,956.13</u></u>
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Gulf & Caribbean Cargo, Inc.
Proforma Financial Statements
For the First Year of Operations

Christopher James & Co.
1225 Southeast 2nd Avenue
Fort Lauderdale, Florida 33316
(954) 522-4006

Christopher James & Co.

1225 Southeast 2nd Avenue
Ft. Lauderdale, Florida 33316

Exhibit GC-400
Supplement No. 3
Page 6 of 8

James E. Brown, Jr.
Christopher B. Waldera

Telephone (305) 522-4006
Facsimile (305) 522-0720

August 5, 1996

To the Board of Directors
of Gulf & Caribbean Cargo, Inc.:

We have compiled the accompanying proforma opening balance sheet of Gulf & Caribbean Cargo, Inc., a Georgia corporation, for the first year of operations and the proforma closing balance sheet of Gulf & Caribbean Cargo, Inc. for the first year of operations.

The accompanying proforma balance sheets were based on estimates, assumptions and projections of management. We have not reviewed the assumptions and rationales underlying management's estimates, assumptions and projections and, therefore, we do not express any opinion thereon. Furthermore, since projections are based upon assumptions about events and circumstances that have not yet taken place, they are subject to the variations in operations that may in fact occur in the future. Accordingly, there is no assurance that the predicted results will actually be attained.

Christopher James & Co.

Gulf & Caribbean Cargo, Inc.

Proforma Opening Balance Sheet
For the First Year of Operations

ASSETS

Current Assets

Cash in Bank	700,217.80	
Accounts Receivable	<u>16,099.50</u>	
Total Current Assets		<u>716,317.30</u>

TOTAL ASSETS		<u><u>716,317.30</u></u>
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LIABILITIES & EQUITY

Liabilities

Shareholder Loan Payable	88,816.37	
Long Term Loan Payable	<u>700,000.00</u>	
Total Liabilities		788,816.37

Shareholder Equity

Common Stock	1,000.00	
Retained Earnings	<u>(73,499.07)</u>	
Total Shareholder Equity		<u>(72,499.07)</u>

TOTAL LIABILITIES & EQUITY		<u><u>716,317.30</u></u>
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Gulf & Caribbean Cargo, Inc.

Proforma Closing Balance Sheet
For the First Year of Operations

ASSETS

Current Assets

Cash in Bank	1,247,401.43	
Accounts Receivable	<u>16,099.50</u>	
Total Current Assets		<u>1,263,500.93</u>

TOTAL ASSETS		<u><u>1,263,500.93</u></u>
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LIABILITIES & EQUITY

Liabilities

Shareholder Loan Payable	0.00	
Long Term Loan Payable	<u>700,000.00</u>	
Total Liabilities		700,000.00

Shareholder Equity

Common Stock	1,000.00	
Retained Earnings	<u>562,500.93</u>	
Total Shareholder Equity		<u>563,500.93</u>

TOTAL LIABILITIES & EQUITY		<u><u>1,263,500.93</u></u>
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NAJET

NAJET, L.L.P.
National Aviation Management Corp, Managing General Partner

Ft. Lauderdale International Airport
P. O. Box 22460 • Ft. Lauderdale, FL 33335
Phone 954/359-9400 • Fax 954/359-0039

July 26, 1996

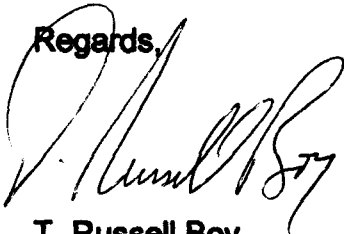
Ms. Dolores King
Office of the Secretary
Air Carrier Fitness Division
U.S. Department of Transportation
Washington, D.C. 20590

Dear Mrs. King:

This letter will confirm that NAJET, L.L.P. has deposited and on hand the sum of Four Hundred Thousand Dollars (\$400,000) with First Union National Bank, Account #2090002214352. Said amount is dedicated to the funding and support of Gulf & Caribbean Cargo, Inc. d/b/a Gulf & Caribbean Air for the purpose of acquiring and operating one DC-9 aircraft for passenger service.

Enclosed is proof of deposit of these funds.

Regards,



T. Russell Boy
Vice President
National Aviation Management Corp.
Managing Partner of NAJET, L.L.P

Enclosure

4010

88-783/531

J. SAMUEL BOY
GERALDINE A. BOY
3907 SWARTHMORE RD
DURHAM, NC 27707

PAY TO THE ORDER OF

NAT'L T. L.P.

\$ 400,000.00

For the National Fund

WACHOVIA

Wachovia Bank of North Carolina, N.A.
Durham, NC 27702

FOR *2090002214352* *Nett* *2371 009825 4010*

0531076331

FIRST UNION

308822 (10/04/96 Rev 01)

Name and account number will be verified when presented. A fee may be incurred by using this document.

Name *NAT'L T. L.P.* Address *Box 2240* *44 Landerdale Pl., 33335-8450*

Signature *[Signature]*

Account Number (For CAP Accounts, use 10-digit number.) *2090002214352*

Less Cash *00*

Sub Total *400,000.00*

Deposit

DATE DEPOSITED *7-24-96*

Currency *66-763*

COIN *400,000.00*

TOTAL DEPOSIT *400,000.00*

AMOUNT *400,000.00*

DEPOSIT TO ACCT# *2090002214352*

07/25/96 05005 5018 # 50

1:5400062531

FIRST UNION NATIONAL BANK OF NC
Erwin Square
Durham

DEPOSIT TO ACCT# 2090002214352

AMOUNT \$400,000.00

07/25/96 05005 5018 # 50

Time: 03:36 PM



July 16, 1996


Thomas E. Dyer
a member of NAE
NAJET, L.L.P.
3485 S.W. 9th Ave.
Ft. Lauderdale, FL 33315

Dear Tom,

This is to confirm that International Airline Support Group will lease, for a period of twelve (12) months renewable, the DC9-14 (N949L) for a lease rate of \$ per month.

We will allow you to sublease this aircraft to Gulf & Caribbean Air.

Very truly Yours,


Lex Dyer
President

Commercially Sensitive Information Redacted

GULF & CARIBBEAN
MONTHLY INCOME AND EXPENSE PROJECTIONS
(\$000'S)

Exhibit GC-700
Supplement 3
Revised 8/9/96
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	<u>Month 1</u>	<u>Month 2</u>	<u>Month 3</u>	<u>Month 4</u>	<u>Month 5</u>	<u>Month 6</u>	<u>Month 7</u>	<u>Month 8</u>	<u>Month 9</u>	<u>Month 10</u>	<u>Month 11</u>	<u>Month 12</u>	<u>TOTAL</u>
OPERATING REVENUES	369	369	369	369	369	369	369	369	369	369	661	661	5,007
BLOCK HOURS													
SCHEDULED	80	80	80	80	80	80	80	80	80	80	80	80	960
CHARTER (ACMI)	70	70	70	70	70	70	70	70	70	70	220	220	1,140
OPERATING EXPENSES													
DIRECT													
CREW SALARIES & BENEFITS	33	33	33	33	33	33	33	33	33	33	66	66	462
PER DIEM	3	3	3	3	3	3	3	3	3	3	6	6	42
HOTEL	3	3	3	3	3	3	3	3	3	3	3	3	36
TRAINING	0	0	0	0	0	6	0	0	0	20	0	15	41
FUEL	53	53	53	53	53	53	53	53	53	53	53	53	636
AIRCRAFT LEASE	25	25	25	25	25	25	25	25	25	25	75	75	400
AIRCRAFT DEPOSIT										50			
AIRCRAFT INSURANCE	32	0	0	113	0	0	113	0	0	113	113	0	482
AIRCRAFT MAINTENANCE	83	83	83	83	83	83	83	83	83	83	166	166	1,163
AIRCRAFT HANDLING & GATE FEES	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	149
DISPATCH AND CERTIFICATE	10	10	10	10	10	10	10	10	10	10	20	20	140
JEPPS / AIRPORT DATA	2	2	2	2	2	2	2	2	2	2	2	2	24
SUBSERVICE & CONTINGENCIES	9	9	9	9	9	9	9	9	9	9	9	9	108
GENERAL & ADMIN	4	4	4	4	4	4	4	4	4	4	4	4	48
TOTAL OPERATING EXPENSES	<u>269</u>	<u>238</u>	<u>238</u>	<u>350</u>	<u>238</u>	<u>244</u>	<u>350</u>	<u>238</u>	<u>238</u>	<u>420</u>	<u>529</u>	<u>432</u>	<u>3,731</u>
OPERATING INCOME	100	131	131	19	131	125	19	131	131	-52	132	229	1,276
OTHER INCOME (EXPENSE)													
(Pre-Operating Expense)	<u>312</u>												<u>312</u>
TOTAL OTHER INC (EXP)	<u>312</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>312</u>
PRETAX INCOME	-212	131	131	19	131	125	19	131	131	-52	132	229	965
INCOME TAXES	<u>0</u>	<u>0</u>	<u>82</u>	<u>0</u>	<u>0</u>	<u>82</u>	<u>0</u>	<u>0</u>	<u>82</u>	<u>0</u>	<u>0</u>	<u>82</u>	<u>328</u>
NET INCOME	<u>-212</u>	<u>131</u>	<u>49</u>	<u>19</u>	<u>131</u>	<u>43</u>	<u>19</u>	<u>131</u>	<u>49</u>	<u>-52</u>	<u>132</u>	<u>147</u>	<u>637</u>

**GULF & CARIBBEAN
PRO-FORMA INCOME AND EXPENSE STATEMENT
PREPARATION INFORMATION**

BLOCK HOURS: 80 hours scheduled
70 hours charter (ACMI)

Justification: Based on automated flight-planning data for the DC9-10 aircraft, the average block speed for the stage lengths proposed by Applicant is approximately 400 m.p.h. at long-range cruise power settings. Block times are 2.6 hours between IND and FLL, and 1.9 hours between FLL and PAP. Applicant proposes two round trips per week, yielding a monthly total of 77.94 hours. Two hours have been added to this figure for a conservative estimate of 80 monthly scheduled block hours.

After Applicant's scheduled services are fully implemented, the Company expects to charter the aircraft for approximately 70 hours per month. A second aircraft will be added in month 10 to provide an additional 150 hours of charter service per month, assuming sufficient demand.

OPERATING REVENUE: \$368,500 (months 1-10)
\$661,000 (months 11-12)

Scheduled Passenger Revenue:

Per 1-way trip:

IND-FLL 45 passengers @ \$ 99.00 . . . \$4,455.00
IND-PAP 12 passengers @ \$235.00 . . . \$2,820.00
FLL-PAP 45 passengers @ \$136.00 . . . \$6,120.00

TOTAL . . . \$13,395.00

Monthly Scheduled Revenue: \$232,000.00

Based on two round-trip flights per week and 4.33 weeks per month.

Gulf and Caribbean's fares are very competitive with those offered by competitors in the indicated markets. A load factor at 63.3% has been assumed. For the reasons stated in Gulf and Caribbean's earlier submissions, the Company believes this estimate is conservative and will easily be met or exceeded.

Charter Revenue: Applicant plans to charter its DC-9-10 aircraft at a rate of approximately \$1,950 per hour on an ACMI basis. Applicant's internal analysis and discussions with tour operators confirms that there is sufficient demand for its services at this rate.

Monthly Charter Revenue:

70 hours @ \$1,950.00 \$136,500.00
(2nd aircraft, month 11) 150 hours @ 1,950.00 . . . \$292,500.00

OPERATING EXPENSES:

Crew	CAPTAINS (3) @ 5,633.00 \$16,900.00 1ST OFFICERS (3) @ 2,600.00 \$ 7,800.00 FLIGHT ATTDTS. (6) @ 1,300.00 . . . \$ 7,800.00 TOTAL: \$32,500.00
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Explanation: Applicant will initially employ three flight crews. Applicant's analysis confirms that the above month salaries meet or exceed salaries paid by similar operators operating similar equipment. Those pilots having managerial positions with the company, such as the *Director of Training, DC-9 Aircraft*, will receive extra compensation as detailed under costs for "Dispatch and Certificate," in addition to the above flight pay.

Per Diem

24 days @ \$30.00 per day for crew member (4) . \$2,800.00

Explanation: Meets or exceeds allowance paid by similar operators.

HOTEL

15 days @ \$50.00 per day per crew member (4) . \$3,000.00

Explanation: Applicant's analysis confirms that it will be able to contract for hotel rooms at or less than the above rates.

TRAINING:

Applicant has included initial training separately as part of pre-operating expense. Recurrent training expenses are forecast in month 6 and month 12. Three pilots will receive recurrent training in Month 6; six pilots will receive recurrent training in Month 12; dispatch and flight attendant personnel will also receive recurrent ground training in Month 12. Three additional flight crews will be trained in Month 10 for Applicant's second aircraft. The following costs are based on information supplied by USAir, who will be conducting Applicant's contract training:

Pilots:

6 hours simulator @ 200.00/hour \$1,200.00
Ground Class \$ 800.00
Total per pilot \$2,000.00

Dispatch and Flight Attendant

Ground Classes Total. \$3,000.00

Total Month 6 \$6,000.00

Total Month 10 \$20,000.00
(includes ground and simulator training as
detailed in pre-operating expense for flight
crews)

Total Month 12 \$15,000.00

FUEL

Fuel Burn 780 gallons/hour
 Cost per gallon \$0.85
 Scheduled hours per month 80

Monthly fuel expense \$53,040

Explanation: Applicant has calculated fuel consumption based on USAir and Compuflight data. The aircraft will be operated at long-range cruise power settings. Applicant has confirmed that it will be able to obtain fuel from National Jets (a related company of NAJET), which holds equity in Gulf & Caribbean) at the stated price. All charter flights will be on an ACMI basis; thus, applicant will not incur fuel costs for these operations.

AIRCRAFT LEASE

Agreed monthly sublease rate
 from NAJET, LLP \$25,000

Explanation: As described more fully in the text of this supplemental filing, NAJET has agreed to sub-lease an aircraft to Gulf & Caribbean at the stated rate in exchange for equity. Applicant has not yet finalized plans to acquire a second aircraft, but has conservatively assumed a monthly lease rate of \$50,000 for the second aircraft.

AIRCRAFT MAINTENANCE:

150 block hours/month @554.00/hour . . . \$83,100.00

Cost per block hour

Direct-airframe \$ 87.00
 Direct-engines \$200.00
 Maintenance burden \$267.00
 TOTAL \$554.00

Explanation: Based on DC-9 Form 41 data and for the Applicant's analysis conducted with USAir, who will be providing the

maintenance program for the aircraft. Costs include labor, parts and administrative fees associated with USAir's reliability program. Applicant personnel who also serve managerial functions, e.g., Director of Maintenance, receive additional monthly compensation as detailed in "Dispatch and Certificate."

LANDING AND HANDLING FEES

Landing Fees \$0.45 per pound
Aircraft Weight 81,000 pounds
Fee Amount \$36.50

Explanation: Based on rates in effect at FLL and IND, and the aircraft's certificated landing weight of 81,000 pounds

Handling Fees

FLL \$100 per aircraft turn

Explanation: Agreed rate to be provided by National Jets at FLL.

IND and other stations. . . \$350 per aircraft turn

Explanation: Applicant will contract is hourly services to USAir or another suitable agent. Applicant's analysis and preliminary negotiations confirm that the services will be available at these rates.

MONTHLY TOTAL: Applicant's scheduled services will operate twice per week on an IND-FLL-PAP-FLL-IND routing.

Weekly: (4) turns FLL @ 136.50 . . . \$ 546.00
(6) turns @ \$386.50 \$2,319.00
TOTAL \$2,865.00

Monthly: \$2,865/week
@4.33 weeks/mo \$12,405.00

Note: All charter flights are ACMI; Applicant will not be financially responsible for handling fees on these flights.

DISPATCH AND CERTIFICATE

Director of Operations, General Manager and Safety Officer (Lee Mason) . . .	\$ 3,250.00
Director of Maintenance	\$ 750.00
Chief Inspector	\$ 750.00
Director of Training -- DC-9	\$ 1,500.00
Chief Pilot	\$ 750.00
Dispatcher: 150 hours @ \$20/hour	\$ 3,000.00
TOTAL:	\$10,000.00

Explanation: The above rates indicate monthly supplemental managerial compensation that will be paid to certain of Applicant's maintenance and flight crew personnel. This pay is in addition to that already reflected in the Applicant's maintenance and crew cost.

JEPPS/AIRPORT DATA

Charts and Information Service at cost \$2,000.00

SUBSERVICE AND CONTINGENCIES \$9,000.00

Explanation: Based on Applicant's internal analysis and estimates.

GENERAL AND ADMINISTRATIVE \$4,000.00

Explanation: Rent, telephone, office supplies and other miscellaneous. Based on present operating expenses and projected costs, taking into account expanded fleet size and scope of operations.

Pre-Operating Expense Detail

Initial Training ¹	\$ 22,200
Proving Flights ²	50,000
Salaries ³	27,000
Legal Fees ⁴	10,000
Aircraft Lease Deposit ⁵	25,000
Aircraft Lease Expense ⁶	11,547
Insurance Deposit ⁷	81,000
USAir Maintenance Program ⁸	80,000
Advertising ⁹	<u>5,000</u>
TOTAL	\$311,747

¹ Gulf and Caribbean intends to provide all flight and dispatch personnel with initial ground training. Pilots will each receive six hours of simulator training. Given current market conditions, Gulf and Caribbean anticipates that it could hire crew members who are current and qualified in the aircraft. Nonetheless, this additional training is being provided to ensure the highest degree of safety:

Ground

Pilots (6) @ \$800	\$4,800
Dispatcher (3) @ \$1,000	\$3,000
<u>Flight Attendants (9) @ \$800 . . .</u>	<u>\$7,200</u>
Total Ground	\$15,000

Simulator

6 pilots @ 6 hours @ \$200/hr . . .	\$ 7,200
<u>Total Initial Training</u>	<u>\$22,200</u>

² Based on discussions with Gulf & Caribbean's FAA Certification Project Manger, it is estimated that 25 hours or less of proving flights will be required. Gulf & Caribbean's cost of operating the aircraft is approximately \$2,000 per hour, including crew, maintenance, and fuel. 25 hours @ \$2,000 per hour yields \$50,000.

³ The personnel required for Gulf & Caribbean's new operation will be added to the Company's payroll on a staggered basis, as FAA certification is proceeding in the month prior to commencing operations. The Chief Pilot will be needed for the full month at a rate of \$5,633; two additional captain will be retained for three weeks at the same monthly rate (\$7,878 additional). Three first officers will be required for a period of three weeks at a monthly rate of \$2,600 each (\$5455 total). Six flight attendants will each be paid two week's base salary at a rate of \$1,300 per month (total \$3,900). In addition, the flight attendants will each receive a \$25 dollar per diem during the two-week training period (total of \$2,100) and accommodations in double occupancy hotel room at a rate of \$40 per room per night (total \$1,680). The grand total of all the above-described salaries and expenses is \$26,646.

⁴ Gulf & Caribbean has already paid all legal fees billed thus far in connection with this application. An estimated 55 hours of additional attorney time will be required at an average billing rate of \$180 per hour.

⁵ The Aircraft Deposit will consist of one month's lease payment at a rate of 25,000 per month.

⁶ The 25 hours of proving flights required for FAA certification can easily be completed in one week. Gulf & Caribbean has budgeted two weeks of pre-operating lease expenses to complete certification and pre-operation details. 2 weeks @ 25,000 per month is \$11,547.

⁷ The pre-operating insurance deposit is 18% of the \$450,000 annual aircraft insurance premium.

⁸ The full cost of the USAir Maintenance Program Fee has been allocated as a pre-operating expense. See Exhibit GC-1000 (submitted 4/22/96).

⁹ Gulf & Caribbean's advertising will consist primarily of publishing advertisements in the Sunday travel section of Ft. Lauderdale and Indianapolis newspapers. The cost per advertisement is approximately \$600. Gulf & Caribbean will publish ads in each of two new newspapers during the four weeks preceding its inauguration services. 8 ads @\$600 yields \$4,800. There is no charge for listing Gulf & Caribbean's nonstop and direct services in the Official Airline Guide. The Company will also advise local travel agents of the availability of these new convenient and low-cost services.

**OVERVIEW OF GULF AND CARIBBEAN'S OPERATIONS
UNDER THE DEPARTMENT'S 90-DAY RULE**

Year's Total Expenses. \$3,731,000.00
Average Quarter Expense. \$932,750.00
Pre-Operating and Start Up¹ \$311,747.00
(Please see pre-operating detail on page 2)

REQUIRED CAPITAL CALCULATION \$1,244,497.00

338732-01 / DOCSDC1

¹ Pre-operating expenses for Gulf and Caribbean's proposed operation will be relatively low because the Company is already operating as a Part 121 air carrier and has made substantial progress with the FAA towards adding a DC-9 aircraft to its certificate.

GULF & CARIBBEAN FINANCIAL PLAN

Capital Requirements

Gulf & Caribbean must demonstrate that a minimum of \$1,244,497.00 in capital is available. Gulf & Caribbean's current Financial Plan easily meets and exceeds the Department's 90-day zero revenue test. This capital will be made available from Mr. Mason, who will provide access to at least \$800,000.00 of his assets; a line of credit in the amount of \$150,000.00 from the Bank of New York, and a \$400,000.00 working capital account established by NAJET, LLP.

Summary of Available Capital

Mr. Mason (cash, securities and available credit)	\$ 800,000.00
Bank of NY Letter of Credit	\$ 150,000.00
NAJET Working Capital Account	\$ <u>400,000.00</u>
 TOTAL	 \$ <u>1,350,000.00</u>

CERTIFICATION

Pursuant to title 18 United States Code section 1001, I, Frederick Lee Page Mason, in my individual capacity and as the authorized representative of the Applicant, have not in any manner knowingly and willfully falsified, concealed or covered up any material fact or made any false, fictitious, or fraudulent statement or knowingly used any documents which contain such statements in connection with the preparation, filing or prosecution of the application. I understand that an individual who is found to have violated the provisions of 18 U.S.C. section 1001 shall be fined not more than \$10,000 or imprisoned not more than five years, or both.



Frederick Lee Page Mason
Gulf and Caribbean Cargo, Inc.

Date 8-6-96